

## DEPARTMENT OF FINANCE BILL ANALYSIS

**AMENDMENT DATE:** Original  
**POSITION:** Oppose

**BILL NUMBER:** SB 654  
**AUTHOR:** M. Leno

### **BILL SUMMARY:** Independent Living Program

This bill would expand eligibility for Independent Living Program (ILP) services to former foster youth who have been placed with nonrelated legal guardians and are receiving permanent placement services. This bill also would expand ILP services to youth in counties operating under the Title IV-E Waiver who are placed with non-related legal guardians regardless of whether they are receiving permanent placement services.

### **FISCAL SUMMARY**

This bill would create a General Fund cost or pressure, as it would make approximately 600 youths eligible for ILP each year. Based on the current participation rate, preliminary estimates indicate that each year 440 children would participate in the program at a cost of \$1,080 each. This would result in a total annual cost or pressure of \$475,000. The early 2009 Budget Act does not include funding for this expansion of ILP services. The base ILP budget is \$34.7 million (\$15.2 million General Fund). This bill would result in existing funds being spread across a larger population, and increased costs or pressure to support the additional population proposed for expansion.

All 58 counties receive allocations from these funds to provide ILP services to eligible youth. General Fund allocations are based on the previous year's allocation. The federal allocation formula for ILP is based on the statewide number of foster care children compared to the national average.

### **COMMENTS**

The Department of Finance opposes this bill as it would result in annual General Fund costs or pressure of \$475,000 to fund an expansion of ILP services.

**Current law** establishes statewide standards for the implementation and administration of the federal ILP for foster youth preparing to age out of the foster care system. Under current law, foster youth living with guardians who are relatives and who are recipients of Kin-GAP program services are authorized to request and receive ILP services.

Under current law, former foster youth who are placed with a non-related legal guardian prior to their sixteenth birthday and whose dependency is subsequently dismissed are, unlike children in the Kin-GAP Program, not eligible for ILP services. This exclusion is based upon the fact that federal law defines foster care to require that the governmental agency has placement and responsibility over the minor, and that nonrelated guardianships where dependency has been terminated would not be included in the federal eligibility definition. While children placed with relatives in the Kin-GAP Program prior to their sixteenth birthday are in the same situation, state law was amended to allow for an expansion of the state's ILP program to cover these youth, exclusively using state General Fund.

**Discussion:** ILP services are provided by counties to current and former foster youth to assist in the transition to independent living. Each year an estimated 4,000 foster youth emancipate out of the state's

Analyst/Principal	Date	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

<b>BILL ANALYSIS</b>	Form DF-43 (Rev 03/95 Buff)
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**BILL ANALYSIS/ENROLLED BILL REPORT--(CONTINUED)****Form DF-43****AUTHOR****AMENDMENT DATE****BILL NUMBER**

M. Leno

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foster care system to live independently. ILP services are intended to ease the difficulty of that transition and prevent outcomes such as homelessness, unemployment, and incarceration that have been documented with emancipated youth.

ILP services vary by county, but typically include job placement, assistance with employment training and education, classes on budgeting and housekeeping, and assistance with accessing healthcare and housing. Foster youth typically become eligible to receive ILP services sometime between age 16 and the date of emancipation from foster care. Federal ILP funds may be used for youth still in foster care and between the ages of 16 and 21.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							
	LA	(Dollars in Thousands)							
	CO	PROP							Fund
	RV	98	FC	2008-2009	FC	2009-2010	FC	2010-2011	Code
5180/Social Svcs	LA	No	C	\$238	C	\$475	C	\$475	0001